

For Immediate Release
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Contact: Senator Chuck Gross
573-751-8635

**SENATE COMMITTEE CONSIDERS BILL SPONSORED BY
SEN. CHUCK GROSS WHICH WOULD CREATE
THE HOMESTEAD PRESERVATION ACT**

JEFFERSON CITY -- Sen. Chuck Gross, R-St. Charles, on Tuesday testified before a Missouri Senate committee on behalf of legislation he has sponsored that would create a Homestead Preservation Act protecting senior citizens from rising property taxes.

“I’ve worked closely with all of the parties involved in this issue, and I believe we’ve developed a piece of legislation that works for everyone,” Gross told the Senate Ways and Means Committee. “This is a reasonable and sensible approach to assisting our state’s senior citizens without hurting our schools or other public entities dependent on property taxes.”

Currently under statewide reassessment, the values of homes are supposed to be recalculated every two years. Because under state law reassessment is not intended to create an overall increase in taxes, tax levies are to be rolled back. At the same time, the taxes on individual property can increase – sometimes dramatically – if the reassessed value of the property is greater than the average increase of all properties in the political subdivision.

“One of my retired constituents came to me with a property tax bill that had increased by 43 percent,” Gross said. “That kind of increase can literally drive a person out of their home. For people living on a fixed income, a rise in property taxes can be devastating.”

Senate Bill 730 would create the Missouri Homestead Preservation Act, which would allow senior citizens and those who are disabled to obtain a credit against their property taxes that exceed a certain amount – estimated at around 5 percent. The credit for an excessive increase would be applied against the taxes paid in the following year.

Assessors would be required to forward all information on homestead applicants to the Department of Revenue (DOR) by Oct. 31. The DOR would certify to the collectors those applicants who meet the requirements of the homestead exemption credit.

Each January, the Missouri General Assembly would then file an appropriation bill to fund the homestead exemption.

In October or November when county collectors send a current year tax bill, for all those eligible there would be a homestead exemption from the prior year list on the bill and applied against the current bill.

“I think this is an efficient way to operate this program,” said Gross. “That way the collector’s office doesn’t have to be responsible for sending out an extra check, which would mean extra cost and work for those offices.”

Those testifying on behalf of the bill included representatives from the Missouri School Boards’ Association, the Missouri State Teachers Association, the Missouri Silver Haired Legislature, the Missouri Collectors’ Association, the Cooperating School Districts of Greater St. Louis and the Missouri Growth Association. No one testified in opposition.

“Sen. Gross’ bill represents a way to slow the growth of property taxes for those of us living on a fixed income,” said Jerome Nowak, a retired St. Peters resident who lives on a fixed income and offered testimony in support of SB 730. “Retired people are not saying we don’t want to pay taxes, we just want some relief from the cost of rising taxes.”

The Senate Ways and Means Committee will take the bill up in executive session on Jan. 27, and is expected to vote it out and send it to the floor of the Senate for debate.